

Farm and Foreign Agricultural Services (FFAS) Mission Area Strategic Plan



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Introduction

The Farm and Foreign Agricultural Services (FFAS) mission area, composed of the Farm Service Agency (FSA), the Foreign Agricultural Service (FAS), and the Risk Management Agency (RMA), is responsible for helping keep America's farmers and ranchers in business as they face the uncertainties of weather and markets. We accomplish this by delivering commodity, credit, conservation, and emergency assistance programs that help improve the stability and strength of the agricultural economy. We contribute to the vitality of the farm sector with programs designed to encourage the expansion of export markets for U.S. agricultural products. In cooperation with the private sector, we sanction the provision of broad-based crop insurance programs and other risk management tools.

FFAS is committed to demonstrating and promoting excellence and continually improving processes, products, and services to better satisfy the requirements of our customers and stakeholders. We will promote results-driven management practices throughout FFAS.

We will work to enhance the public's confidence in us by ensuring that our program activities are consistent with national goals, carefully conceived, well executed, and materially beneficial to America's producers, food and agricultural enterprises, and rural communities.

The following strategic plans by the FSA, FAS, and RMA present the activities of the Farm and Foreign Agricultural Services mission area, linking together individual agency programs in terms of our overall contribution to American agriculture.

A black circular logo with the white text "FFAS" written vertically inside it.**FFAS**



Farm Service Agency (FSA)

Strategic Plan

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Introduction

The Farm Service Agency (FSA) improves the economic stability of agriculture and the environment through commodity programs; farm ownership, operating, and emergency loans; conservation programs; domestic and overseas food assistance programs; and disaster programs. These programs provide a safety net to help farmers produce an adequate food supply, maintain viable operations, compete for export sales of commodities in the world marketplace, and contribute to the year-round availability of a variety of low-cost, safe, and nutritious foods. FSA considers environmental impacts in the development and implementation of program operations to ensure adequate protection of natural, cultural, and historic resources.

FSA was established when the U.S. Department of Agriculture (USDA) was reorganized under the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, P.L. 103-354 (Reorganization Act), incorporating programs from the Agricultural Stabilization and Conservation Service, the Federal Crop Insurance Corporation (now a separate agency—the Risk Management Agency (RMA)), and farm lending activities of the Farmers Home Administration.

Currently, FSA's programs are delivered in over 2,500 USDA Service Centers and 51 State Offices, including Puerto Rico. This network enables FSA to maintain close relationships with Agency customers and successfully address customer needs in an effort to continually improve the delivery of FSA programs.

Farm loan programs administered by FSA are authorized by the Consolidated Farm and Rural Development Act, as amended. The primary loan programs, which consist of farm ownership and operating loans, are available on either a direct or guaranteed basis. Direct loans are made and serviced by FSA, whereas guaranteed loans are provided and serviced by private sector lenders, with the additional protection of a Federal guarantee. Emergency loans are available only on a direct basis.

FSA is addressing historic shifts in the Federal Government's role in production agriculture. The Federal Agriculture Improvement and Reform Act of 1996, P.L. 104-127 (1996 Act), has resulted in major changes to FSA's price support programs, whereby farm commodity prices will be largely determined by market factors, rather than Government subsidies and production controls. This legislation was developed to encourage a thriving export business for American farmers and use of risk management tools such as the commodity futures market and revenue insurance programs.

These significant changes in agricultural policy must be accommodated within the framework of a balanced budget. The original fiscal year (FY) 1998 budget proposed to reduce FSA non-Federal employees by 1,850 staff years in FY 1998 and the number of field offices to 2,000 by the end of FY 1999. Anticipated FY 1998 Federal employment levels would have been reduced from 6,146 full-time equivalents to 5,877. These reductions would have resulted in a FSA workforce of about 9,800 non-Federal and 5,900 Federal employees.

To address changes in agricultural policy within the balanced budget framework, a summit of Congressional and Executive Branch agricultural leadership was conducted in June 1997. The results of the summit, and subsequent discussions, highlighted a need for USDA to achieve greater administrative efficiencies and suggested a wide range of roles for the Department in the future of production agriculture. In addition, an independent study will be conducted, under the auspices of the Secretary, to examine FSA and Natural Resources Conservation Service (NRCS) for opportunities to improve overall customer service and the efficiency of the delivery system. Results of the summit, subsequent discussions, this study, and additional studies will be incorporated in future iterations of the Strategic Plan.

The Reorganization Act provides the Secretary the authority to streamline and reorganize the Department to achieve greater efficiencies in the management of

USDA programs. Specifically, the Reorganization Act states, “Where practicable and to the extent consistent with efficient, effective, and improved service, the Secretary shall combine field offices of agencies within the Department to reduce personnel and duplicative overhead expenses.” The Secretary directed FSA, NRCS, and Rural Development (RD) to provide USDA customers with the best possible service at the least possible cost at “one-stop” USDA Service Centers. In response, FSA, NRCS, and RD, together with Cooperative State Research, Education, and Extension Service (CSREES), Forest Service (FS), and RMA, developed partnership agreements and created the National Food and Agricultural Council (NFAC) to facilitate implementation of USDA Service Centers. Likewise, State and local Food and Agricultural Councils have been created in each of FSA’s State Offices and Service Centers to promote timely and effective provision of USDA Service Center services.

To ensure that our programs are delivered efficiently and effectively through our State Offices, and take advantage of streamlining opportunities, FSA will cooperate with the Offices of the Assistant Secretary for Administration and the Chief Information Officer to implement the administrative convergence initiative. This initiative will consolidate the administrative resources and functions (financial management, human resources management, property and contracting, civil rights, and information resources management) both nationally and at the State level, for the Farm and Foreign Agricultural Services (FFAS) and RD mission areas and for all levels at NRCS.

Legislative initiatives and other Government-wide reforms have created new challenges and opportunities for FSA. Embodied in this Strategic Plan is the approach FSA will take for fiscal years 1998 through 2002 to implement the Reorganization Act, the 1996 Act, and all other applicable legislation; establish USDA Service Centers; and fulfill its mission of efficiently and equitably administering USDA’s farm and farm loan programs.

Key External Factors

Accomplishment of the goals and objectives included in this plan is dependent upon economic and weather conditions, adequate funding and staffing levels, new legislative requirements, and continued support and commitment from partners and coordinators. More explicit external factors are included under each goal.

Mission

To ensure the well-being of American agriculture and the American public through efficient and equitable administration of agricultural commodity, farm loan, conservation, environmental, emergency assistance, and domestic and international food assistance programs.

Goals

FSA has four major goals which address farm programs, conservation and environment, farm loans, and commodity operations.

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Goal 1

Farm Programs - Provide an economic safety net through farm income support to eligible producers, cooperatives, and associations to help improve the economic stability and viability of the agricultural sector and to ensure the production of an adequate and reasonably priced supply of food and fiber.

FSA administers programs to support production agriculture, including: Production Flexibility Contracts, Marketing Assistance Loans, Tobacco and Peanut Price Support Programs, and the Noninsured Crop Disaster Assistance Program (NAP). This goal is directly related to the Secretary's strategic goals 1.1 and 1.2.

■ Legislative Mandates

Agricultural Adjustment Act of 1938, Agricultural Act of 1949, No-Net-Cost Tobacco Program Act of 1982 (P.L. 97-218), Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, and the 1996 Act

■ Partnerships and Coordination

NRCS-conservation compliance; Economic Research Service (ERS)-loan rate development, Karnal Bunt program; Agricultural Marketing Service (AMS) cotton, tobacco, and peanut classification, Potato Diversion Program; Animal and Plant Health Inspection Service (APHIS)-Karnal Bunt program, tobacco pesticide chemical analysis; Sugar Processors-loan payments; Cooperative Marketing Associations-loan and Loan Deficiency Payment programs; Loan Servicing Agents-cotton loan and Loan Deficiency Payment programs; Servicing Agent Banks-commodity loans; Commercial Warehouse Operators-commodity storage; National Cotton Council-cotton program administration; Tobacco and Peanut Associations-program administration; Marketing Card Contractors-tobacco and peanut marketing cards; U.S. Customs Service-tobacco and peanut import data; RMA-risk management tools; National Agricultural Statistics Service (NASS)-crop reference data for NAP

■ Objective 1.1

Maintain a high Agricultural Market Transition Act (AMTA) participation rate for eligible acreage.

Time Frame for Completion

September 30, 2002

Strategies for Achieving the Objective

Target eligible acreage released from the Conservation Reserve Program (CRP) for enrollment in AMTA, through outreach efforts, to maintain a high acreage enrollment level.

Performance Measure

Eligible acreage enrolled in the program, including acreage released from CRP (%).

Performance Target

98%

Baseline

98% (1996)

Program Evaluation

Upon issuance of AMTA payments in January, August, and October, a Contract Enrollment Data Report, PF-2R, is generated from the Kansas City Management

Office mainframe. This report will continue to be evaluated by the Production, Emergencies, and Compliance Division (PECD) and Economic and Policy Analysis Staff, located in Washington, D.C., to compare actual enrolled acreage to targeted enrolled acreage.

External Factors

- Commercial development on farmland.
- Fruit and vegetable, payment limitation, and/or conservation violations.

■ **Objective 1.2**

Provide marketing assistance loan and loan deficiency payment (LDP) programs enabling recipients to continue farming operations without marketing their product immediately after harvest.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Obtain daily spot market prices from AMS.
- Electronically calculate daily and 5-day average market prices and pass back to AMS for public dissemination.
- Establish loan rates.
- In cooperation with AMS, ensure producers are aware of loan rates and current crop prices.

Performance Measures

- a. Revenue received by producer at loan settlement exceeds price at harvest (%)
- b. Eligible production, by commodity, for which loans and LDPs are made when loan rates exceed market prices (%)

Performance Targets

- a. 100%
- b. 60%

Baselines

- a. Will be established, by commodity, when loan rate exceeds market price.
- b. Will be established, by commodity, when loan rate exceeds market price.

Program Evaluations

A software program will be developed comparing adjusted daily terminal market prices, commonly referred to as the posted county price, at loan making to the posted county price at loan settlement for a randomly selected statistically representative sample of loans disbursed during the loan availability period for wheat, feed grains, cotton, and rice. The posted county price will be reduced to reflect storage costs incurred during the loan period. The Price Support Division, located in Washington, D.C., will evaluate this information to determine the extent to which revenue received at loan settlement exceeds prices at harvest.

A software program will be developed comparing the quantity of wheat, feed grains, upland cotton and rice, respectively, placed under loan or for which a LDP was received during the loan availability period to the total eligible quantity of

each respective commodity. The Price Support Division will evaluate this information to determine the proportion of eligible crops placed under loan or paid LDPs as market prices approach or fall below the loan rate.

External Factors

- Weather conditions which affect production, supply and demand, market prices, and loan rates.
- Ability to transport commodities to market in a timely manner.
- Availability of storage facilities.

■ **Objective 1.3**

Stabilize the price and production of tobacco and peanuts.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Establish acreage allotments and poundage marketing quotas.
- Establish the price support loan level for tobacco and peanuts.
- Establish no-net-cost assessments to cover projected losses in operating the tobacco and peanut price support programs.

Performance Measures

- a. Average tobacco and peanut assessment (\$/pound)
- b. Average price per pound of tobacco and ton of peanuts (\$/pound,\$/ton)

Performance Targets

- a. 8 cents per pound or less for tobacco
.00366 dollars per pound for quota peanuts
.0004 dollars per pound for non-quota peanuts
- b. Tobacco prices to average at least \$1.70 per pound
Quota peanut prices to average at least \$610.00 per ton
Non-quota peanut prices to average at least \$132.00 per ton

Baselines

- a. Total assessment collections for marketing year 1996 averaged:
2.0 cents per pound for tobacco
.0035 dollars per pound for quota peanuts
.0004 dollars per pound for non-quota peanuts
- b. Prices received by producers in marketing year 1996 averaged:
\$1.87 per pound for tobacco
\$610.00 per ton for quota peanuts
\$132.00 per ton for non-quota peanuts

Program Evaluations

The Tobacco and Peanuts Division (TPD) receives daily, weekly, and year-end market news summary reports from AMS that enable TPD to identify the quantity of tobacco and peanuts being placed under price support loan, marketed, or introduced into the trade. These reports also enable TPD to compare average market

prices to price support loan rates established by the Secretary. TPD verifies actual loan receipts through the tobacco and peanut loan associations.

Prior to the beginning of each crop year, TPD determines funding available in Commodity Credit Corporation (CCC) trust accounts (no-net-cost accounts) to administer the tobacco and peanut price support programs and projects anticipated outlays and losses associated with these programs. Based on this evaluation, assessment rates are established for the upcoming crop year. Annually, TPD compares actual loan outlays to account balances of assessments to determine the actual tobacco assessment levels for the subsequent crop year.

External Factors

Tobacco and peanut prices are governed by economic principles of supply and demand. If supply increases or demand decreases, tobacco and peanut prices will decline, resulting in an increase in price support loans. Increased inventories and storage costs, combined with reduced sales proceeds, result in higher producer assessments.

■ **Objective 1.4**

Provide a financial assistance safety net to eligible producers when natural disasters result in a catastrophic loss of production or prevent planting of noninsured crops.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Electronically provide approved crop price, yield, and payment factors to FSA State Offices, prior to beginning of the crop year for each applicable commodity.
- Delegate authority for area loss and crop eligibility approvals to FSA State Offices.
- Appraise losses and issue payments timely.
- Fully automate program functions.
- Issue a certificate of reporting compliance and Summary of Protection listing reported acreage, calculated actual production histories, and the guaranteed minimum yield to producers annually reporting acreage, production, and shares.

Performance Measures

- a. Number of crops for which price, average yield, and payment factors are approved prior to crop year (#)
- b. NAP area eligibility designation (days)
- c. Number of days between producer filing acreage and production reports and issuance of Summary of Protection (#)

Performance Targets

- a. 1600 crops
- b. 45 days
- c. 15 days

Baselines

- a. Will be established in FY 1998.
- b. 90 days (1996)
- c. Baseline will be established upon implementation of this initiative.

Program Evaluations

PECD will require State Offices to submit recommended prices and yields for approval prior to the beginning of the crop year. PECD will evaluate the timeliness of all submissions on an annual basis.

Time frames for NAP area eligibility designations will be automated at the State Office level. PECD will evaluate this information to determine the number of elapsed days from disaster to NAP area designation approval.

External Factor

- Producers not reporting crop acreage and production.
- The occurrence of natural disasters.

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Goal 2

Conservation and Environment - Assist agricultural producers and landowners in achieving a high level of stewardship of soil, water, air, and wildlife resources on America's farmland and ranches while protecting the human and natural environment.

FSA administers conservation and environmental programs including the CRP, Emergency Conservation Program (ECP), and the Hazardous Waste Management Program. This goal is directly related to the Secretary's strategic goals 1.1, 3.1, and 3.2.

■ Legislative Mandates

Title IV of the Agricultural Credit Act of 1978 (P.L. 95-334); Safe Drinking Water Act, as amended; Comprehensive Environmental Response, Compensation, and Liability Act, as amended; and Title XII of the Food Security Act of 1985, as amended.

■ Partnerships and Coordination

NRCS-land eligibility and environmental benefits for CRP; technical assistance for ECP; FS-forestry technical assistance for CRP; U.S. Fish and Wildlife Service-wildlife habitat and wetland technical advice for CRP; State and local Soil and Water Conservation Districts-administrative and technical support for CRP; Environmental Protection Agency-environmental technical advice, contamination levels; Argonne National Laboratories-site investigation and feasibility studies; Department of Energy-remediation contracting; State Departments of Health and Environmental Resources-remediation permit approval.

■ Objective 2.1

Improve environmental quality, protect natural resources, and enhance habitat for fish and wildlife, including threatened and endangered species.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Maintain an enrollment of 36.4 million acres in CRP by conducting a regularly scheduled sign-up to enroll new acreage in the CRP and conducting a continuous CRP sign-up to enroll environmental priority practice acreage.
- Prior to each signup, evaluate and modify, if necessary, the environmental benefits index to ensure selected acreage offers the greatest environmental benefit
- Target the conservation needs of state and local communities by accelerating funding through the Conservation Reserve Enhancement Program.

Performance Measures

- a. Number of acres enrolled (#)
- b. Acres of highly erodible land retired (#)
- c. Trees or shrubs planted on enrolled acreage (%)
- d. Acres of environmental priority/water quality areas (#)
- e. Acres of riparian buffers and filter strips (#)
- f. Restored acres of wetlands (#)
- g. Established acres of enhanced wildlife habitat (#)

Performance Targets

- a. 36.4 million acres
- b. 15 million acres
- c. 12%
- d. 1.2 million acres
- e. 4 million acres
- f. 1.43 million acres
- g. 2.16 million acres

Baselines

- a-b. Will be established in FY 1998.
- c. 6% (1996)
- d-g. Will be established in FY 1998.

Program Evaluations

The Conservation Environmental Programs Division (CEPD) evaluates CRP bid files, CRP contract files, and reports generated by the Conservation Reporting and Evaluation System to determine the environmental benefits of CRP and, upon contract approval, the data is updated to reflect land use, land treatment, and environmental benefits.

Prior to annual payment issuance, Service Centers conduct on-site spot checks and review producer files to ensure conservation practices are maintained in accordance with program requirements.

External Factors

- Favorable market prices may not induce producers to retire cropland.
- Natural disasters or severe drought.
- Noncompliance with program provisions.
- Demand for enrollment may exceed authorized enrollment levels.

■ Objective 2.2

Provide Emergency Conservation Program funding for farmers and ranchers to rehabilitate farmland damaged by wind erosion, floods, hurricanes, or other natural disasters, and for carrying out emergency conservation measures during periods of severe drought.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Request emergency funding to rehabilitate farmland damaged by natural disaster.
- Conduct on-site inspections to assess the extent of damage to farmland for which emergency funding is requested.
- Provide cost-sharing assistance to rehabilitate damaged farmland.

Performance Measure

Acres of damaged farmland rehabilitated (#)

Performance Target

Target cannot be determined because the type, extent, and frequency of natural disasters are unknown.

Baseline

1.4 million acres rehabilitated in 1996.

Program Evaluation

CEPD will evaluate ECP statistical reports generated by the Kansas City Management Office mainframe and Form AD-862, Conservation Reporting Evaluation System, to determine the number of rehabilitated acres.

External Factor

Obtaining appropriations sufficient to provide cost-sharing assistance to rehabilitate damaged farmlands.

■ Objective 2.3

Protect public health of communities contaminated by carbon tetrachloride through continued implementation of CCC's Hazardous Waste Management Program.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Provide alternative water supplies such as new wells, connection to rural lines, or bottled water.
- Characterize and remediate contaminated sites.

Performance Measures

- Communities provided safe drinking water through remediation efforts (%,#)
- Site investigation costs (\$)
- Average amount of time to perform site investigations (months)

Performance Targets

a-c. Will be established in FY 1998

Baselines

- Measurement system will be established in FY 1998.
- \$900,000 per site (1996)
- 12 months (1996)

Program Evaluation

CEPD will review monthly engineering and construction progress reports to determine the status of remediation initiatives, including communities impacted by remediation efforts and time frames for completion. CEPD will also review the monthly billing statements to determine the costs incurred to perform remediation at each site.

External Factors

- Funding adequate to perform site investigation and remediation efforts.
- Adequate assistance from contractors and other Government entities to perform remediation efforts.

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Goal 3

Farm Loans - Assist eligible individuals and families in becoming successful farmers and ranchers.

FSA administers direct and guaranteed farm ownership, operating, and emergency loans. This goal is directly related to the Secretary's strategic goals 1.1, 1.2, and 1.3.

■ Legislative Mandate

The Consolidated Farm and Rural Development Act of 1961 (P.L. 87-128), as amended, authorizes the Secretary to make or guarantee loans to eligible farmers and ranchers, including farm operating, farm ownership, emergency, and soil and water loans.

■ Partnerships and Coordination

Commercial Lenders-originate and service guaranteed farm loans; Financial Institutions-guaranteed loan program improvement; States-direct and guaranteed loan program coordination

■ Program Evaluation

National Internal Review-Comprehensive review conducted annually in one-third of the State Offices to ensure that loan decisions are sound and that program implementation is in accordance with statutes and regulations. This evaluation process is conducted for the following four objectives:

■ Objective 3.1

Improve the economic viability of farmers and ranchers.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Conduct quality farm assessments, which includes development of individual business plans encompassing business and personal financial objectives, and follow up.
- Address borrower performance problems promptly.
- Provide technical assistance and supervised credit.

Performance Measures

- a. Existing direct loan borrowers whose classification score improved (%)
- b. Direct loan borrowers graduating to commercial credit (%)

Performance Targets

a-b. Targets will be established once baselines are determined.

Baselines

a-b. Systems to track performance measures are being developed in FY 1998.

External Factors

- Widespread or prolonged natural disasters can significantly reduce farm production and, therefore, reduce net income.
- Substantial inflation in farm expenses.
- Depressed commodity prices.
- Failure of ranchers and farmers to take advantage of risk management tools.

■ Objective 3.2

Reduce losses in direct loan programs.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Conduct and follow an aggressive farm assessment plan.
- Follow up on problem accounts in a timely manner.
- Resolve old problem cases.
- Actively market and sell inventoried property.

Performance Measure

Loss rate on direct loans (%)

Performance Target

5.2% (35% reduction in loss rate from 1996 baseline)

Baseline

8% (1996)

External Factors

- Widespread or prolonged natural disasters can significantly reduce farm production and, therefore, reduce net income.
- Substantial inflation in farm expenses.
- Depressed commodity prices.
- Failure of ranchers and farmers to take advantage of risk management tools.

■ Objective 3.3

Respond to loan making and servicing requests in a timely manner.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Work with State Offices to process requests for declarations of disaster areas in response to natural disasters.
- Implement an aggressive market placement program, where FSA prepares and packages all necessary documentation for guaranteed loan applications.

Performance Measures

- a. Processing time for direct loans (days)
- b. Processing time for guaranteed loans (days)
- c. Direct loan borrowers whose accounts are over 90 days past due (%)

Performance Targets

- a. 18 days (20% reduction from FY 1996 baseline)
- b. 11 days (20% reduction from FY 1996 baseline)
- c. Will be established once the baseline is determined.

Baselines

- a. 23 days (FY 1996)
- b. 14 days (FY 1996)
- c. Will be established in FY 1998.

External Factors

- Substantially increased demand for services as a result of natural disasters or economic downturn.
- Additional legislative or regulatory requirements.
- Failure of other organizations to respond timely to information requests.

■ Objective 3.4

Maximize financial and technical assistance to under served groups to aid them in establishing and maintaining profitable farming operations.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Provide counseling and supervision to direct and guaranteed loan borrowers by assessing and evaluating all aspects of their farming operations.
- Implement a market placement program for eligible borrowers, whereby FSA prepares and packages all necessary documentation for guaranteed loan applications and presents applications to commercial lenders for approval.
- Implement aggressive outreach efforts.

Performance Measures

Program loans made or guaranteed that are received by beginning and socially disadvantaged farmers and ranchers (%)

Performance Targets

18% (100% increase from FY 1996 baseline)

Baselines

Direct and guaranteed loans to socially disadvantaged farmers in FY 1996 (9%)

External Factors

- Availability of funding for travel, outreach training, and new updated informational materials.
- Adequacy of resources at the State and county level to provide outreach to targeted communities.
- Cooperation of community-based, social, and religious organizations in providing outreach to the targeted population.

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Goal 4

Commodity Operations - Improve the effectiveness and efficiency of FSA's commodity acquisition, procurement, storage, and distribution activities to support domestic and international food assistance programs, and administer the U.S. Warehouse Act (USWA).

FSA's commodity operations involve the acquisition, procurement, storage, and distribution of commodities, and management of the USWA. These activities help ensure achievement of domestic farm program price support objectives, produce a uniform

regulatory system for storage of agricultural products, and ensure the timely provision of food products procured for the domestic and international food assistance and market development programs. This goal is directly related to the Secretary's strategic goals 1.1, 1.2, 2.1, 2.2, 2.4, and 2.5.

■ **Legislative Mandates**

Warehouse activities are governed by: CCC Charter Act, as amended through P.L. 104-130, April 9, 1996, and the USWA of 1916, as amended. Procurement activities are governed by: National School Lunch Act, Sections 6 (a) and (e), 13, and 17; Emergency Food Assistance Act of 1983, as amended; Agricultural Trade Development and Assistance Act of 1954 (P.L. 480, Titles II and III), as amended; Food for Progress Act of 1985, as amended; and the Agricultural Act of 1949, Section 416(b), as amended.

■ **Partnerships and Coordination**

Commercial Warehouse Operators-commodity storage and handling; Food and Consumer Service (FCS)-domestic nutrition and feeding program administration; AMS-commodity procurement and inspection; Agency for International Development and Foreign Agricultural Service (FAS)-international humanitarian development and relief; Grain Inspection, Packers and Stockyards Administration (GIPSA)-processed grain products manufacturing inspection; Private Voluntary Organizations-international commodity distribution; Clemson University-technical assistance; Agricultural Research Service (ARS)-research and development of more nutritious products for feeding programs.

■ **Objective 4.1**

Reduce the percentage of USWA warehouse examination costs paid by CCC, thereby increasing the self-sufficiency of USWA examination operations.

Time Frame for Completion

September 30, 2002

Strategies for Achieving the Objective

- Revise USWA to streamline examination procedures.
- Increase the use of technology to expedite the examination process by evaluating electronic inventory devices, implementing electronic transfer of data/files, and converting paper files to electronic files (record scanning).

Performance Measure

USWA warehouse examination costs funded by CCC (% of total examination costs)

Performance Target

30%

Baseline

65% CCC funded (FY 1996)

Program Evaluations

Management monitors user fee expenditures to ensure that program costs do not exceed available funds. Additionally, warehouse examination results are reviewed

by individuals in the Kansas City Commodity Office to verify that examinations are adequate to ensure that facilities licensed under the USWA meet storage and handling requirements.

External Factors

- Warehouse industry willingness to fund warehouse examinations.
- Congressional support for revising USWA.
- Funding to obtain advanced examination technology.

■ Objective 4.2

Purchase processed commodities in a more timely and cost-effective manner and improve timeliness of processed commodity deliveries to customers.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Streamline procurement processes and procedures by receiving vendor bids and awarding vendor contracts electronically, including evaluating the results of the Electronic Commerce Applications Pilot for export programs.
- Increase the number of commercial products purchased.
- Improve processed commodity vendor participation in contract bid process by offering long-term contracts (greater than 1 month).
- Track shipper/carrier contract compliance and establish procedures to ensure that shippers/carriers that do not meet contractual obligations are excluded from the bid process for a specified time.

Performance Measures

- a. Total processing time per bid (hours, minutes)
- b. On-time deliveries and shipments (%)

Performance Targets

- a. To be established upon completion of Electronic Commerce Applications Pilot-FY 1998
- b. 95%

Baselines

- a. To be established upon completion of Electronic Commerce Applications Pilot-FY 1998
- b. 80% (FY 1996)

Program Evaluation

Commodity shipments are tracked in the Processed Commodity Inventory Management System to determine if deliveries are made within stated contract provisions. Reports are generated on a monthly and quarterly basis and sent to FCS for review.

External Factors

- Inability of vendors to transmit bids electronically due to incompatible software and/or lack of electronic equipment.

- Vendors' ability to meet production requests in a timely manner.
- Inability to transport commodities due to inclement weather.

■ Objective 4.3

Improve the quality of processed commodities purchased.

Time Frame for Completion

Ongoing

Strategies for Achieving the Objective

- Implement Total Quality Systems Audit to improve the quality of processed commodities purchased for USDA food assistance programs.
- Ensure all vendors having USDA commodity procurement contracts complete Total Quality Systems Audit by September 2002.
- Benchmark quality assurance standards of major commercial processed commodity purchasers, such as major supermarket chains, to help ensure that goods we purchase are of the highest quality and meet contract requirements.
- Adopt international quality standards for manufacturing processed commodities.
- Distribute and collect customer satisfaction survey cards to evaluate customer satisfaction with USDA processed commodities.

Performance Measures

- a. Customers satisfied with quality of processed commodities (%)
- b. Companies participating in Total Quality Systems Audit that improved their standards for manufacturing processed commodities (%)

Performance Targets

- a. 95%
- b. 100%

Baselines

- a. Baseline will be established in FY 1998.
- b. 100%

Program Evaluation

The Total Quality Systems Audit, implemented in FY 1997, is used to evaluate the processed commodity manufacturing processes of vendors under contract with USDA to ensure product quality and reduce the cost of on-line inspections. Upon completion of the initial pre- and post-audit of the manufacturing process, vendors will be subject to periodic follow-up evaluations to ensure that their manufacturing process maintains the established high quality standards.

External Factors

- Lack of industry participation in Total Quality Systems Audit.
- AMS and GIPSA cooperation.
- Continued funding for Clemson support and FSA staffing necessary to complete the Total Quality Systems Audit.

Management Initiatives

To accomplish Goals 1 through 4, FSA, in cooperation with other agencies and mission areas, is implementing management initiatives in several areas, including equal employment opportunity and civil rights, program delivery, outreach, and administrative services, including financial management, information technology, procurement, and administrative convergence. These management initiatives relate to the Secretary's Management Initiatives 1 through 4.

To ensure our programs are delivered efficiently and effectively through our State Offices, and take advantage of streamlining opportunities, FSA will cooperate with the Offices of the Assistant Secretary for Administration and the Chief Information Officer to implement the administrative convergence initiative. This initiative will consolidate the administrative resources and functions (financial management, human resources management, property and contracting, civil rights, and information resources management) both nationally and at the State level, for the FFAS and RD mission areas and for all levels at NRCS.

■ Management Initiative 1

Provide fair and equal treatment in employment and the delivery of FSA programs.

FSA is committed to providing equal employment opportunity to all applicants and employees and ensuring protection of civil rights to all program applicants, recipients, and beneficiaries without regard to race, color, national origin, religion, sex, age, disability, marital status, and sexual orientation. Everyone will be treated with dignity and respect.

Time Frame for Completion

Ongoing

Strategies for Achieving the Management Initiative

- Address the concerns and recommendations identified in the Civil Rights Action Team Report.
- Improve workforce diversity by increasing the representation of women, minorities, and persons with disabilities in under-represented grade levels and occupations.
- Resolve complaints in a more timely manner by improving the complaints management process for program delivery and employment.
- Ensure that senior executives and supervisory managers are aware of Equal Employment Opportunity (EEO) and Civil Rights (CR) accomplishments and noncompliances.

Performance Measures

- a. Time to process program discrimination and employment complaints compared to processing times identified in Office of Inspector General's (OIG) February 27, 1997 Evaluation Report (%)
- b. Program discrimination and employment complaints (#)
- c. Representation of women, minorities, and persons with disabilities in targeted grade levels and occupations (%)

Partnerships and Coordination

FSA will continue to plan and implement actions to achieve EEO/CR initiatives in coordination with other agencies, including Office of Civil Rights, RD, NRCS, CSREES, and FS.

FSA maintains partnerships with employee organizations and American Federation of State, County, and Municipal Employees (AFSCME) Local 3925. Employment partners include educational institutions such as Historically Black Colleges and Universities, Hispanic Association of Colleges and Universities, and 1862, 1890, and 1994 Land-Grant Colleges and Universities.

To further ensure fair and equal treatment of employees and customers in the delivery of programs, FSA will coordinate activities, as necessary, with the Equal Employment Opportunity Commission, U.S. Commission on Civil Rights, and U.S. Department of Justice.

■ Management Initiative 2**Enhance the ability of small, limited-resource, and socially disadvantaged (SDA) family farmers/ranchers to operate successfully.**

FSA established the Outreach Programs Staff in FY 1997 to increase participation of small, limited-resource, and SDA family farmers and ranchers in Agency programs. Special emphasis is placed on the development and dissemination of information on FSA programs, assistance in improving farm management and financial analysis, and increased participation in County Committee (COC) nomination and election processes.

By increasing participation in FSA programs among small, limited-resource, and SDA family farmers and ranchers, we are serving those most in need of assistance and helping to ensure the well-being of American agriculture.

Time Frame for Completion

Ongoing

Strategies for Achieving the Management Initiative

Increase the number of small, limited-resource, and SDA family farmers and ranchers participating in FSA/USDA programs and the FSA COC system by maximizing financial and technical assistance and executing vigorous outreach efforts, with the assistance and cooperation of partner organizations.

Performance Measures

- a. SDA farmers and ranchers elected to hold COC positions (#,%)
- b. Farmers/ranchers approved for farm loans and farm program assistance by program, race, and gender (#,%)
- c. Small, limited-resource, and SDA family farmers/ranchers indicating that they have continuing farming/ranching operations as a result of assistance received through FSA programs (#,%)

Partnerships and Coordination

FSA works with the following to facilitate outreach efforts nationwide:

- CSREES
- 1862, 1890, and 1994 Land-Grant Colleges and Universities
- 1994 American Indian Community Colleges
- Professional Agricultural Workers

- Inter-Tribal Agricultural Councils
- Federation of Southern Cooperatives
- Arkansas Land and Farm Development Corporation
- Community-based, social, and religious organizations

■ Management Initiative 3

Maintain a high level of customer satisfaction regarding the delivery of FSA program operations.

FSA's vision includes providing equitable, friendly, effective, and efficient customer service. Maintaining high levels of customer satisfaction is consistent with our vision.

Time Frame for Completion

Ongoing

Strategies for Achieving the Management Initiative

- Conduct surveys and focus groups with customers to obtain feedback regarding satisfaction with delivery of FSA program operations.
- Issue payments in a more timely manner.

Performance Measures

- a. Customer satisfaction (%)
- b. Average number of days between NAP area eligibility confirmation and issuance of payment to producer (#)

Performance Targets

- a. 95% satisfaction in all program areas.
- b. Marketing Assistance Loans-3 days; NAP-7 days

Baselines

- a. 1996 survey results: AMTA-90%, Marketing Assistance Loans and LDPs-93%, NAP-88%, CRP-94%, Farm Loans-85%
- b. Marketing Assistance Loans-7 days, NAP-20 days

■ Management Initiative 4

Develop effective administrative management policies and procedures and information technology processes for FFAS, taking into consideration the unique operating requirements of each Agency.

Time Frame for Completion

Ongoing

Strategies for Achieving the Management Initiative — Financial and Information Resource Management

- Maintain financial data on FSA, FAS, and CCC operations to ensure timely and accurate reporting.
- Ensure the timely completion of audited financial statements for FSA, FAS, and CCC.

- Implement the Debt Collection Improvement Act of 1996 to ensure a more effective process for collecting debts due FSA and CCC.
- Implement electronic funds transfer for all Service Center initiated program and vendor payments
- Redesign current mainframe applications to reduce costs and time to transmit program data from the Service Centers to the Kansas City Management Office.
- Manage information technology as a portfolio of investments.

***Strategies for Achieving the Management Initiative —
Procurement Reform***

- Install the Department's Purchase Card Management System.
- Increase involvement of small and disadvantaged businesses in Agency procurement.
- Implement performance-based contracting.

Performance Measures - Financial and Information Resource Management

- a. Unqualified audit opinion on CCC financial statements (yes/no)
- b. Percent decline in the average age of delinquent debts (%)
- c1. Late payments for which prompt payment interest and penalties were paid (%)
- c2. Service Center initiated payments made by electronic funds transfer compared to total number of payments made (%)
- d1. Average volume of characters transmitted per month (#)
- d2. FTS 2000 telephone charges per month (\$)

Performance Measures - Procurement Reform

- e. Costs/transaction for small purchases using credit cards (\$)
- f. Contracts awarded to small, 8(a), small disadvantaged, and women-owned businesses (%)
- g. Service contracts that are performance-based (%)

Partnerships and Coordination

- FAS and RMA-Provide management support services to all agencies in the FFAS mission area
- NRCS, RD, and Office of the Chief Information Officer-Participate with Service Center partner agencies and the Department to coordinate investment decisions for information technology.
- NRCS, RD, and USDA's Office Of Operations-Work in cooperation to implement the Tri-Agency Purchase Card Management System
- Office of the Chief Financial Officer- Work in cooperation to ensure the Agency meets Department standards for financial reporting and consolidated financial statements.

■ Management Initiative 5

Achieve greater cost and operating efficiencies in the delivery FFAS programs by implementing integrated administrative management systems and reinventing/reengineering FFAS business processes and systems.

Time Frame for Completion

Ongoing

Strategies for Achieving the Management Initiative

- Implement a single, integrated Core Accounting System which meets the requirements of the Department's Financial Information System Vision and Strategy.
- Implement a paperless personnel processing system for use by FFAS agencies.
- Participate in the USDA Service Center Business Process Re-engineering (BPR) initiatives to modernize the administrative processes.
- Implement recommendations for administrative convergence of Service Center functional areas.

Performance Measures

- a1. Financial Management System material weaknesses identified in CCC's annual financial statement audit (#)
- a2. Mixed financial and program feeder systems that are reengineered/modernized and operational (%)
- b. Time needed to process personnel transactions (#)

Partnerships and Coordination

- Office of the Chief Financial Officer-Financial Information System Vision and Strategy.
- RMA and FAS-Provide management support services to all agencies in the FFAS mission area.
- NRCS and RD-Participate with Service Center partner agencies in BPR efforts and administrative convergence at the Service Center level.

■ Management Initiative 6**Ensure producer compliance with program provisions.**

FSA's mission mandates the effective and equitable administration of farm loan and farm programs. Producer compliance with program provisions is essential to mission accomplishment.

FSA monitors producer and association compliance with program provisions through a variety of techniques including on-site farm spot checks, warehouse and association spot checks, and payment limitation reviews.

Strategies for Achieving the Management Initiative

- Utilize Geographic Positioning System units for measuring acreage in the field.
- Utilize satellite imagery or other forms of remote sensing to verify crops and acreage.
- Perform payment limitation reviews.
- Conduct farm spot checks to ensure monies are used for intended purposes and ensure compliance with conservation provisions, planting restrictions, quotas and allotments, and other program provisions.
- Conduct annual spot checks at auction warehouses (tobacco) and buying points (peanuts) to ensure compliance with pesticide, marketing, and storage regulations.
- Conduct association and warehouse spot checks to ensure compliance with storage agreements and marketing assistance loan provisions.

Performance Measure

Compliance with program provisions (%)

Partnerships and Coordination

- NRCS and RD-Coordinate with Service Center partner agencies in BPR efforts designed to obtain Geospatial Information Systems (GIS).
- NRCS, FS, USGS, and State and local governments-Joint members with FSA in the National Digital Orthophoto Program which will fund and maintain a complete cover of digital imagery of the United States, utilizing GIS equipment.
- U.S. Geological Survey (USGS)-Will be utilized to purchase digital ortho-photography.
- Department of Defense (DoD)-FSA has entered into a NAVSTAR precise positioning agreement with DoD which enables FSA to access DoD satellite transmissions to operate FSA Global Positioning System (GPS) units. GPS is used to facilitate acreage compliance determinations and the identification of disaster-affected areas.

Linkage of Goals to Annual Performance Plan

The goals in the Strategic Plan reflect FSA's long-term direction over the next 5-years. FSA's Annual Performance Plan identifies intermediate, annual goals facilitating the achievement of the long-term goals identified in the Strategic Plan.

Performance measures, performance targets, and baselines are identified for each annual performance goal, enabling FSA to adequately assess achievement of short-term, annual goals identified in the Annual Performance Plan as well as long-term goals identified in the Strategic Plan.

Goal 1 is linked to the following budget program activities: Marketing Assistance Loans and LDPs, AMTA, Dairy Indemnity Payments, Sugar Program, Tobacco and Peanut Price Support and Production Control Programs, NAP, and State Mediation Grants. Goal 2 is linked to CRP, ECP, and the Hazardous Waste Management Program. Goal 3 is linked to Direct and Guaranteed Loan Programs. Goal 4 is linked to Commercial Warehouse Activities (Reimbursable), Domestic Nutrition and Feeding Programs, Foreign Food Aid Humanitarian & Developmental Assistance Programs.

The strategic plan performance measures are the same as those used in the annual performance plan, with the exception of Goal 3 and Management Initiative 5. Additional performance measures are included in these two areas to better measure incremental performance towards achievement of long-term targeted levels of performance identified in the strategic plan.

Resources Needed

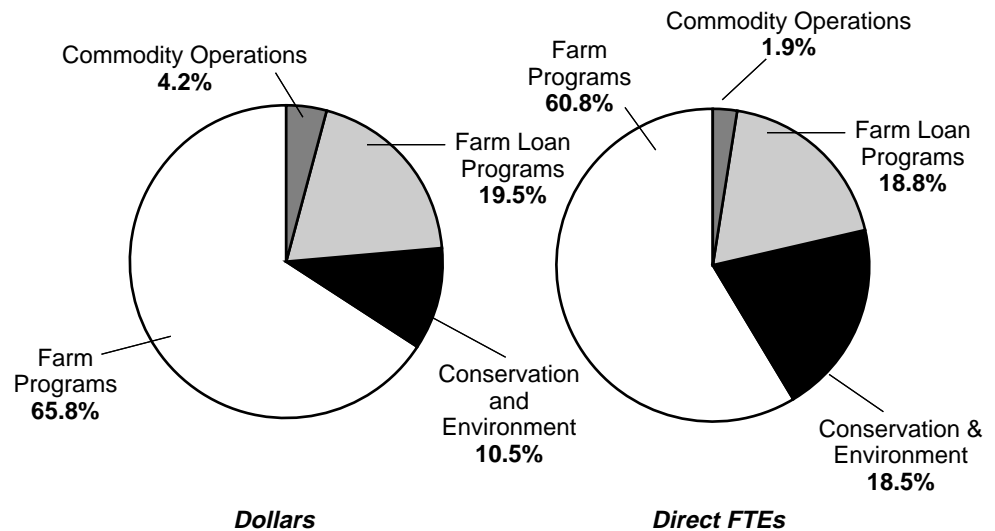
FSA's employees are our most valuable resource and help to ensure that customers receive quality service in a timely, cost-effective manner. The ability to maintain a high level of customer service is imperative for accomplishing FSA's mission. Administrative convergence, downsizing, and streamlining initiatives must be carried out in a manner that does not hinder program delivery and, ultimately, reduce customer satisfaction.

Investments in information technology are necessary to improve the effectiveness and efficiency of program operations and support functions. Resources are needed under Goals 1-3 to develop automated applications in Service Centers supporting accurate and timely applications and payments for farm, conservation, and farm loan programs. Resources are needed for Goal 4 to increase the use of technology to improve efficiency of the warehouse examination process.

As discussed in the Management Initiatives, FSA is currently in the process of

developing and implementing several management information systems including, Local Area Network/Wide Area Network/Voice in Service Centers, Common Computing Environment at selected Service Center test sites, Core Accounting System, Integrated Management Information System, Document Management Imaging System, and a paperless personnel processing system.

FY 1997 Budget Resource Allocations



Program Evaluation

Program evaluation findings were used in developing the Strategic Plan. For example, two General Accounting Office (GAO) reports stated that USDA's farm loan programs are highly vulnerable to waste, abuse, and mismanagement. FSA established an objective in Goal 3 to reduce losses in direct loan programs. A second example of how program evaluations were used in the development of the Strategic Plan is Management Initiative 5 where a key task is to implement a single, integrated Core Accounting System to produce a more efficient and effective financial management system. This addresses material weaknesses in our financial management systems identified in OIG audits of the CCC Financial Statements. These weaknesses are reported in our Federal Managers' Financial Integrity Act annual report to the President and Congress.

FSA will continue to evaluate the efficiency, effectiveness, and results of each of the goals, objectives, and management initiatives through over 50 internal program reviews, management control reviews, County Operations Review Program reviews, District Director reviews, OIG audits, GAO evaluations, and customer surveys. Evaluations will compare actual performance against targeted levels of performance as identified in Annual Performance Plans.

Role of External Entities

FSA's Strategic Plan was developed internally by personnel from all Deputy Administrator areas. FSA's goals, objectives, and management initiatives address the concerns and incorporate input from a variety of internal/external customers and stakeholders. The list of contributors includes:

- Agricultural Marketing Service
- American Bankers Association
- Animal and Plant Health Inspection Service
- Blue Ribbon Federal Warehouse Task Force
- Center for Rural Affairs
- Commercial Warehousemen
- Congressional Research Service
- Economic Research Service
- Environmental Protection Agency
- Farm Credit Council
- Farm Service Agency headquarters management and staff
- Forest Service
- General Accounting Office
- Independent Bankers Association
- Natural Resources Conservation Service
- Office of Management and Budget
- Office of the Chief Financial Officer
- Office of Inspector General
- Private lending institutions
- Rural Development mission area agencies
- State Office management and personnel
- Tobacco, Peanut, and other Loan Associations
- U.S. Fish and Wildlife Service
- Western Drought Coordination Council
- Western Governor's Association

FSA has also used focus groups and surveys to obtain customer/stakeholder input into development of the plan. Focus groups were held in 37 locations in 19 States, involving approximately 400 customers of USDA Service Centers. Two types of surveys were conducted, program participant and warehouse. Program participant surveys were conducted in 1994 and 1996.

Foreign Agricultural Service (FAS) Strategic Plan



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Introduction

Headquartered in Washington, D.C., the Foreign Agricultural Service (FAS) maintains an international field structure which includes 82 Agricultural Counselor, Attache and Affiliate Foreign National Offices, 16 Agricultural Trade Offices, and a number of agricultural advisors covering 129 countries around the world. FAS administers a variety of export promotion, technical, and food assistance programs in cooperation with other Federal, State, local, private sector, and international organizations. Current FAS employment totals 885 with direct appropriated funding of \$135 million and reimbursable funding of \$32 million for fiscal year 1997.

FAS was established on March 10, 1953, by Secretary's Memorandum No. 1320, Supplement 1. Public Law 83-690, approved August 28, 1954, transferred the agricultural attaches from the Department of State to FAS. These memoranda were consolidated in Title 5 of the Agricultural Trade Act of 1978, as amended. Secretary's Memorandum No. 1020-39 dated September 30, 1993, transferred the functions of the former Office of International Cooperation and Development to FAS.

National Interests Served by FAS Programs

The modest annual growth projected in domestic demand for U.S. agricultural production makes the export market the only viable source of potential significant increases in U.S. farm income. Because foreign competition is likely to intensify, the set of tools that Congress has authorized for promoting U.S. agricultural exports is critical to leveraging foreign market opportunities to maximum advantage. FAS works in partnership with other USDA agencies, non-USDA Federal agencies, international organizations, State and local governments, and private sector trade organizations to help U.S. food and agricultural exporters, farmers and ranchers, and rural communities fully realize the benefits and opportunities created by a more open trade environment.

Substantial FAS resources are directed at providing a level international playing field for U.S. food and agricultural exporters and producers. FAS is the lead agency in the Department charged with implementing the North American Free Trade Agreement and the General Agreement on Tariffs and Trade (GATT) Uruguay Round (UR) Agreement. FAS also works closely with the World Trade Organization (WTO), Food and Agriculture Organization (FAO), the Inter-American Institute for Cooperation on Agriculture (IICA), the U.S. Trade Representative (USTR), the Food and Drug Administration, and other USDA agencies (e.g., Animal and Plant Health Inspection Service (APHIS), Food Safety and Inspection Service (FSIS), Agricultural Research Service (ARS) to ensure that sanitary and phytosanitary (SPS) measures are based on sound scientific principles. FAS will be a key player in negotiating the new multilateral trade round scheduled to begin in 1999, the Asian Pacific Economic Council, and the Free Trade Area of the Americas.

FAS also is involved in enhancing world food security through its foreign food aid donations and technical assistance, research, and economic development activities. In addition to helping developing countries feed their people, these activities contribute to sustainable development through improved management of global natural resources, and build stable and more prosperous economies. This, in turn, stimulates foreign demand for U.S. products over the long term by introducing U.S. goods to overseas consumers.

Background

The increasing success of U.S. agriculture in the international marketplace reflects a decade of bipartisan efforts to level the playing field in the global arena. Recent free-trade agreements are landmark accomplishments. The continuing profitability and via-

bility of U.S. agriculture depend on the ability of U.S. producers to be competitive in a world market. In the face of unprecedented opportunities and challenges, continued collaboration between the Administration and Congress toward a bold, comprehensive export strategy will ensure U.S. leadership in the global food and agricultural markets of the future.

Additionally, fundamental changes in domestic farm policy enacted by the Federal Agriculture Improvement and Reform (FAIR) Act of 1996 have positioned U.S. agriculture to be more responsive to market signals, both at home and abroad. The FAIR Act sharply reduces the Government's role in managing commodity stocks and shifts USDA's export strategy from a surplus-management focus to a demand-driven approach. The FAIR Act also implies that growth in U.S. farm income will be dependent on the market, as domestic support subsidies are reduced.

Although the world community has made considerable progress in improving world food security in developing countries during the past two decades, a large proportion of the world's population continues to experience hunger and malnutrition on a daily basis. This global challenge was addressed at the World Food Summit in Rome, Italy, in November 1996. During the Summit, the Clinton Administration endorsed the goal of reducing by half the number of undernourished people in the world by the year 2015. As the lead agency addressing international interests within USDA, FAS will be working with other USDA and non-USDA agencies, multilateral organizations, and private voluntary groups to improve world food security.

Key External Factors.....

Strong political and financial support for the various FAS programs continues to be essential for the agency to meet the challenges which lie ahead. These include overcoming foreign competitors' continued use of export subsidies, direct credits and credit guarantee programs, non-price export promotion, monopolistic marketing boards, and various technical assistance programs. Such competitor activities will require FAS to maintain the organizational capacity to respond with a variety of mechanisms and programs to level the playing field for U.S. agricultural exporters and producers. Other external factors outside FAS' span of control include:

- variability in crop production due to weather conditions, both at home and abroad.
- effect of foreign exchange fluctuations on the price of U.S. products abroad.
- political instability that may undermine demand in key importing countries.
- reductions in resources of other USDA and Federal agencies with which FAS works in partnership to fulfill its strategic mission and goals.

FAS Partnerships.....

FAS serves as the lead agency in the Department for opening, expanding, and maintaining global market opportunities for U.S. agricultural, fish, and forest products, and coordinates with other organizations to ensure world food security. It continuously interacts with other agencies and mission areas of USDA, as well as other Federal agencies, international organizations, and private sector concerns. The table below provides a list of organizations FAS regularly interacts with to accomplish its mission.

Table 1: FAS Partnerships and Coordination Linkages

Goals/Outcomes:	Goal 1/Outcome 1: Expand exports/provide level playing field	Goal 2/Outcome 2: Improve world food security/provide safe, reliable food supply	Management Initiatives: Streamline business processes/improve efficiency and effectiveness
Linkages			
USDA agencies	AMS, APHIS, ARS, CSREES, ERS, FSA, FSIS, GIPSA, NASS, Rural Development, and WAOB	AMS, APHIS, ARS, CSREES, ERS, FSA, FSIS, GIPSA, NASS, and Rural Development	USDA Departmental Administration, OCFO, OBPA, OCIO, MAP, and other USDA agencies including AMS, APHIS, ARS, CSREES, ERS, FSA, FSIS, GIPSA, NASS, and Rural Development
Other Federal agencies	USTR, Commerce Dept., State Dept., Treasury, Eximbank, OPIC, USAID, FDA, EPA, CIA, DOT, DOJ, OMB and DOD	USTR, OMB, Commerce Dept., State Dept., Treasury, Eximbank, OPIC, USAID, FDA, EPA, DOT, DOJ, and DOD	OMB, Congress, GAO, NPR, and State Dept.
International organizations	Food and Agricultural Organization, World Bank, International Monetary Fund, Inter-American Institute for Cooperation on Agriculture, World Trade Organization, and Organization of Economic Cooperation and Development	Food and Agricultural Organization, World Food Program, World Bank, International Monetary Fund, World Trade Organization, Inter-American Institute for Cooperation and Development, and regional development banks	n/a
State and local gov'ts and private sector concerns	State depts. of agriculture, State/ Regional world trade centers, cooperators, trade associations and academia	Private Voluntary Organizations (PVOs), academia, State Depts. of Agriculture, State/ Regional world trade centers, cooperators, and trade associations.	PVOs, State depts. of agriculture, State/Regional world trade centers, cooperators, trade associations, and academia (e.g., stakeholder/partner consultations on strategic plan and customer surveys)

Mission

FAS serves U.S. agriculture's international interests by expanding export opportunities for U.S. agricultural, fish, and forest products and promoting world food security.

This mission is accomplished by partnering with other USDA and Federal agencies, international organizations, state and local governments, and the U.S. private sector to level the playing field for U.S. agricultural producers and exporters in the global marketplace and ensure a safe, nutritious, and reliable food supply to consumers worldwide.

Table 2: FAS Linkages to USDA Strategic Plan

USDA Goal/Objective:	FAS Goal/Objective:
1.2 Open, expand, and maintain global market opportunities for agricultural producers.	1.1 Expand foreign market access for U.S. exporters of agricultural, fish, and forest products. 1.2 Maintain and expand foreign market development, promotion, and outreach activities to U.S. exporters and foreign buyers. 1.3 Maintain foreign market intelligence services for U.S. agricultural services. 1.4 Focus financial assistance programs to meet evolving market development needs.
2.2 Reduce the incidence of food borne illness and ensure that commercial supplies are safe and wholesome.	2.3 Promote activities that highlight U.S. food safety standards and the use of biotechnology to ensure a safe, nutritious food supply.
2.5 Enhance world food security and assist in the reduction of world hunger.	2.1 Organize activities that help meet international food security challenges and support sustainable agricultural development internationally. 2.2 Administer food aid and other assistance programs to meet international food security challenges and U.S. Government commitments.
Management Initiatives Promote effective customer service and efficient program delivery.	Management Initiatives 1. Improve program delivery of customer service through strategic planning. 2. Enhance workforce effectiveness by eliminating barriers to performance.

Goals

FAS has two goals: (1) expand export opportunities for U.S. agricultural, fish, and forest products, and (2) promote world food security. Management initiatives outlined in this strategic plan are critical to achieving these goals.

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Goal 1

Expand export opportunities for U.S. agricultural, fish, and forest products.

Changes in Federal farm policy with passage of the FAIR Act of 1996 make it clear that growth in income for farming and ranching operations of all sizes is increasingly dependent on market expansion and export growth. FAS takes the lead within the Department to protect and strengthen the long-term competitive position of U.S. agricultural, fish, and forest products in foreign markets. It accomplishes this goal through trade agreements; market development, promotion, and outreach; country and commodity market intelligence collection, analysis, and dissemination; and international financial assistance programs.

■ **Outcome 1**

Level playing field for U.S. exporters and producers in the global marketplace.

The outcome measures for the following objectives relating to exports supported and the multiplier effect on national and rural incomes and jobs are based on research and procedures established and approved by the Trade Promotion Coordinating Committee (TPCC) and used in preparation of the annual National Export Strategy report submitted to the Congress.

■ **Legislative Mandates**

Agricultural Trade Act of 1978, as amended and Food, Agriculture, Conservation, and Trade Act of 1990, as amended

■ **Objective 1.1**

Expand foreign market access for U.S. exporters of agricultural, fish, and forest products.

Time Frame for Completion

Ongoing activities, 1997-2002.

Strategies for Achieving the Objective

- Monitor compliance with trade agreements.
- Coordinated through the inter-agency Trade Policy Staff Committee, pursue trade liberalization through bilateral agreements, regional free trade agreements, and the next round of multilateral trade negotiations.
- Encourage the use of sound science in addressing sanitary and phytosanitary (SPS) issues
- Administer import management programs and antidumping and countervailing duty cases.

Performance Measures

	Baseline	Target
• Number of trade issues addressed through bilateral approach	100	150
• Number of trade issues addressed through multilateral approach	384	600
• Number of SPS issues resolved (bilateral/multilateral approaches)	60	75
• Impact of implementing trade agreements on —		
U.S. agricultural exports supported (\$ billion)	\$2.0	\$2.5
Multiplier effect on U.S. national economy (\$ billion)	\$4.8	\$6.0
Multiplier effect on U.S. rural communities(\$ billion)	\$1.6	\$2.0
Multiplier effect on U.S. national employment (jobs)	34,600	43,250

■ Objective 1.2

Focus and expand foreign market development, promotion, and outreach activities to U.S. exporters and foreign buyers.

Time Frame for Completion

Ongoing activities, 1997-2002.

Strategies for Achieving the Objective

- Strengthen foreign market development and promotion efforts by increasing share of overseas activities carried out in markets identified as priorities by Foreign Market Development (FMD) and Market Access Program (MAP) planning processes.
- Focus on emerging markets while protecting hard-won gains in market share in mature markets.
- Increase domestic awareness of export opportunities, export programs, and overseas market intelligence, with special emphasis on small and new-to-export agribusiness firms.
- Introduce potential new international buyers to U.S. products and exporters through U.S. and overseas training, marketing seminars, and agribusiness opportunity missions.

Performance Measures

	Baseline	Target
• Number of companies assisted in establishing marketing and distribution channel contacts through FMD and MAP programs	1,580	2,000
• Number of new foreign buyers introduced to U.S. agricultural, fish, and forest products through FMD and MAP programs	1,000	1,500
• Number of organizations working in partnership with FAS in carrying out export outreach activities	30	60
• Number of U.S. companies exporting agricultural products	7,000	14,000
• Impact of marketing and outreach activities on —		
U.S. agricultural exports supported (\$billion)	\$5.0	\$5.5

Multiplier effect on U.S. national economy (\$billion)	\$12.0	\$13.2
Multiplier effect on U.S. rural communities (\$billion)	\$4.0	\$4.4
Multiplier effect on U.S. national employment (jobs)	86,500	96,150

■ Objective 1.3

Maintain foreign market intelligence services for U.S. agricultural interests.

In order for food prices to reflect demand and supply, the first and most basic economic principle must be met: to ensure that accurate, timely, and unbiased estimates of production, supply, trade and use are widely distributed to both sellers and buyers. FAS' agricultural market intelligence is fundamental to ensuring a reliable, fair, and uncorrupted global pricing system for U.S. agricultural producers.

Time Frame for Completion

Ongoing activities, 1997-2002.

Strategies for Achieving the Objective

- Collect, analyze, and disseminate vital market intelligence information that is not adequately conducted by other sources and that serves a broad domestic U.S. customer base.
- Support USDA program, regulatory, and policy making activities related to world agricultural situation and outlook.

Performance Measures

	Baseline	Target
• Forecasting accuracy of world agricultural production, supply and demand estimates (% difference between February and final estimates)		
World agricultural exports	4.08%	4.00%
U.S. agricultural exports	6.22%	6.00%
Foreign crop production	1.26%	1.25%

■ Objective 1.4

Focus financial assistance programs to meet evolving foreign market development needs.

Time Frame for Completion

Ongoing activities, 1997-2002.

Strategies for Achieving the Objective

- Improve analytical process to focus appropriate FAS financial assistance program tools on market development needs as identified by overall FAS resource allocation strategy.
- Increase program flexibility to fully use new statutory authority allowing export subsidy programs to be used for market development.
- Expand and diversify outreach activities to develop better financial tools which address market failures and changing financial market dynamics.

Performance Measures

	Baseline	Target
• Number of countries financially analyzed for GSM-102/103 creditworthiness	81	100
• Percentage use of GSM-102/103 announced credit guarantees	70%	80%
• Impact of GSM programs on —		
U.S. agricultural exports supported (\$billion)	\$3.4	\$4.4
Multiplier effect on U.S. national economy (\$billion)	\$8.2	\$10.6
Multiplier effect on U.S. rural economy (\$billion)	\$2.7	\$3.5
Multiplier effect on U.S. national employments (jobs)	58,820	76,120

■ Key Factors Affecting Goal 1 Achievement

Several factors may affect FAS' ability to achieve its goal of expanding export opportunities. These include budgetary constraints; weather; foreign exchange fluctuations; political instability that may undermine demand in key importing countries; trade barriers; and the marketing practices of foreign competitors. Additionally, potential conflicting goals and/or reductions in resources of other USDA and Federal agencies, and multilateral or private sector organizations with which we work in partnership and cooperation could have a profound impact on our ability to fulfill stated objectives.

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Goal 2

Promote world food security.

FAS will continue to participate in foreign food aid, technical assistance, research, and economic development activities to support the long-term goal of reducing by half the number of undernourished people worldwide by the year 2015. FAS will contribute to this goal by working in partnership with other public and private sector organizations to help build stable and more prosperous economies through the sustainable management of natural resources. While helping developing countries feed their people, these activities also provide long-term benefits to the U.S. economy by stimulating foreign demand for U.S. agricultural, fish, and forest products through their introduction to consumers in developing countries.

■ Outcome 2

Safe, nutritious and reliable food supply for consumers worldwide.

FAS will accomplish this goal by providing administrative or professional support under contract for agencies that have the goal of food security through economic development.

■ Legislative Mandates

Agricultural Trade Act of 1978, as amended; Agricultural Trade Development and Assistance Act of 1954, as amended; Food for Progress Act of 1985; Section 416(b) of the Agricultural Act of 1949; and National Agricultural Research, Extension and Teaching Policy Act of 1977, Section 1458(a).

■ Objective 2.1

Organize activities that help meet international food security challenges and support sustainable agricultural development internationally.

Time Frame for Completion

Ongoing activities, 1997-2002.

Strategies for Achieving the Objective

- Manage USDA's participation in various international fora in support of agricultural activities.
- Provide administrative support for USDA participation in international, regional, and specialized organizations that focus on issues related to national and global food security.
- Implement international research, technical assistance, and training activities to enhance agricultural development and conservation of natural resources.

Performance Measures

	Baseline	Target
• Number of research projects and technical assistance activities funded to build sustainable markets	250	300
• Number of developing countries where we have provided technical assistance, training, and research activities	90	100
• Number of research, technical assistance, and training activities to enhance agricultural development	1,087	1,300

■ Objective 2.2

Administer food aid and other assistance programs to meet international food security challenges and U.S. Government commitments.

Time Frame for Completion

Ongoing activities, 1997-2002.

Strategies for Achieving the Objective

- Use P.L. 480 and Food for Progress programs to meet humanitarian assistance needs and promote sustainable long-term economic development.
- Use Emerging Markets (EMO) program funding to increase and diversify U.S. agricultural exports to lower income countries that offer long-term high U.S. export growth potential.

Performance Measures

	Baseline	Target
• Percent of Food for Progress resources supporting economic growth activities	70%	80%
• Percent of Emerging Markets projects funded to create/improve market opportunities in targeted countries	60%	95%
• Number of research and technical assistance projects initiated using P.L. 480 foreign currencies	3	10

• Impact of P.L. 480, Title I program on —		
U.S. agricultural exports supported (\$million)	\$229	\$149
Multiplier effect on U.S. national economy (\$million)	\$550	\$358
Multiplier effect on U.S. rural economy (\$million)	\$183	\$119

■ Objective 2.3

Promote research activities that highlight U.S. food safety standards and use of biotechnology to ensure a safe, nutritious food supply.

Time Frame for Completion

Ongoing activities, 1997-2002.

Strategies for Achieving the Objective

- Promote research and technical assistance activities which address food safety and nutrition issues.
- Train foreign officials on U.S. food safety standards.
- Champion and educate decision makers and key influencers on use of food safety training seminars and biotechnology to combat world hunger and malnutrition.

Performance Measures

	Baseline	Target
• Number of research activities which encourage use of sound science in resolution of SPS issues	50	100
• Number of foreign participants trained in use of food safety standards	85	200
• Number of training programs initiated on use of food safety and biotechnology to combat world hunger	0	10

■ Key Factors Affecting Goal 2 Achievement

Factors which could affect FAS in meeting its goal of helping to improve world food security include budgetary constraints; U.S. crop shortfalls; and reductions in resources of other public and private sector organizations with which FAS works in cooperation to achieve this national goal.

Management Initiatives

FAS is committed to improving its organizational efficiency and the productivity and diversity of its workforce in the delivery of services to customers. This commitment is driven by recently enacted Federal statutes, including the Government Performance and Results Act (GPRA), Chief Financial Officers Act (CFO), Information Technology Management Reform Act (ITMRA), Government Management Reform Act (GMRA), Presidential Executive Orders on Customer Service, and Partnership Councils mandated by the National Performance Review. FAS' overall management initiative strategy is to align GPRA requirements with other management processes (e.g., budget and technology planning) and systems to improve program delivery of customer services. Key benchmarks for success will be criteria contained in the President's Award for Quality Management. Successful implementation of these initiatives is critical to achieving FAS' strategic goals and objectives since they focus and align agency-wide activities and processes.

Legislative Mandates

Government Performance and Results Act; Information Technology Management Reform Act; Chief Financial Officers Act; and Government Management Reform Act.

■ Management Initiative 1

Improve program delivery of customer services through strategic planning.

FAS will improve delivery of customer service by implementing strategic planning as mandated by GPRA at all levels of the organization. This includes developing and implementing strategic and tactical planning processes, and evaluating and reporting on results on an annual basis. FAS also will develop a standard methodology to guide decisions on how overseas offices are staffed. Lastly, FAS plans to engineer business processes to justify the use of appropriate enabling technologies that support cross-cutting functions, as mandated by ITMRA, and integrate the 5-year information technology strategic planning process with GPRA.

Outcome 1

Cost-effective and efficient allocation of human, program, and technology resources.

Time Frame for Completion

Ongoing activities, 1997-2002

Strategies for Achieving the Management Initiative

- Develop, implement, and evaluate FAS strategic plan, annual performance plans, and annual performance reports mandated by the GPRA.
- Develop and integrate Country Promotion Plans into agency-wide resource allocation process.
- Develop and document methodology to make decisions on how overseas offices are staffed.
- Develop and implement business processes following guidance from Office of Management and Budget (OMB), General Accounting Office (GAO), and ITMRA to justify use of appropriate enabling technologies that support cross-cutting functions.
- Develop and implement 5-year information technology strategic planning process and integrate it with the GPRA strategic and annual performance planning processes.
- Jointly implement USDA strategic decision making process with APHIS, ARS, Economic Research Service (ERS), Grain Inspection, Packers and Stockyards Administration (GIPSA), FSIS, and Office of the General Council (OGC) to improve USDA representation on SPS and other international trade policy issues.

Performance Measures

	Baseline	Target
• Create and modify strategic plans in out-years as necessary	Yes	Yes
• Create and modify annual performance plans in out-years as necessary	Yes	Yes
• Evaluate results of annual performance plans and report in annual performance reports beginning in fiscal year 1999	Yes	Yes
• Develop and integrate country promotion plans into FAS-wide resource allocation process	n/a	Yes

- | | | |
|---|-----|-----|
| • Implement annual global review of overseas staffing patterns based on standardized methodological approach | Yes | Yes |
| • Develop 5-year information resource management strategic plan mandated by ITMRA and implement funded initiatives | Yes | Yes |
| • Work with other USDA agencies involved in SPS and other international trade policy issues to implement USDA strategic decision making process to improve USDA representation in national and international fora | Yes | n/a |

■ Management Initiative 2

Enhance workforce effectiveness by eliminating barriers to performance.

FAS' overall goal in this area is to improve the effectiveness of every employee and manager by eliminating barriers to effective performance (e.g., resolution of union/management issues, enhancing organizational and individual skills development, and making greater use of the cultural diversity of the organization).

Outcome 2

More productive workforce that delivers timely and cost-effective customer services.

Presidential Orders

National Performance Review; Customer Service Initiative; and Partnership Councils.

Time Frame for Completion

Ongoing activities, 1997-2002

Strategies for Achieving the Management Initiative

- Train workforce to continually improve work processes and provide better customer service.
- Hire a diverse workforce to improve effectiveness of FAS' delivery of customer services.
- Improve long-term effectiveness of FAS administrative processes using management techniques mandated in Presidential Executive Orders.
- Implement a comprehensive customer service program as mandated by Presidential Executive Order 12862 (dated 9/11/93 and expanded by Presidential Memorandum dated 3/22/95).
- Institutionalize the Secretary of Agriculture's policy on Civil Rights and Equal Employment Opportunity (EEO).

Performance Measures

- | | Baseline | Target |
|---|----------|--------|
| • Training initiatives developed and implemented for customer service, management skills, support staff skills, and workforce diversity | n/a | Yes |

• Customer satisfaction surveys/focus group interviews implemented for key customers and stakeholders of FAS services	n/a	Yes
• Maintain active relationships and ensure recruitment of students from Hispanic Serving Institutions, 1890 schools, Historically Black Colleges and Universities, and 1994 Land Grant Institutions	Yes	Yes
• End-user evaluation of overseas posts' performance (Rating scale: 1-10)	8.1	8.5

Key Factors Affecting Achievement of Management Initiatives

Factors which may affect FAS' success in fully implementing its management initiatives include budgetary constraints; Departmental realignments and consolidations; and mandated workforce reductions.

Linkage of Goals to Annual Performance Plan

Annual performance measures were derived directly from the strategic plan after an analysis of which strategies, outputs, and outcomes were needed to achieve the strategic goals. Goals, objectives, and performance measures in the strategic plan link directly to goals, objectives, and performance measures in the annual performance plan for the next 2 fiscal years.

FAS has two management initiatives which focus on promoting effective customer service and efficient program delivery. The first involves developing, integrating, and implementing strategic planning processes at every level of the organization and the second involves enhancing workforce effectiveness by removing barriers to performance. Each management initiative has several strategies, which link to annual performance measures for the next 2 fiscal years.

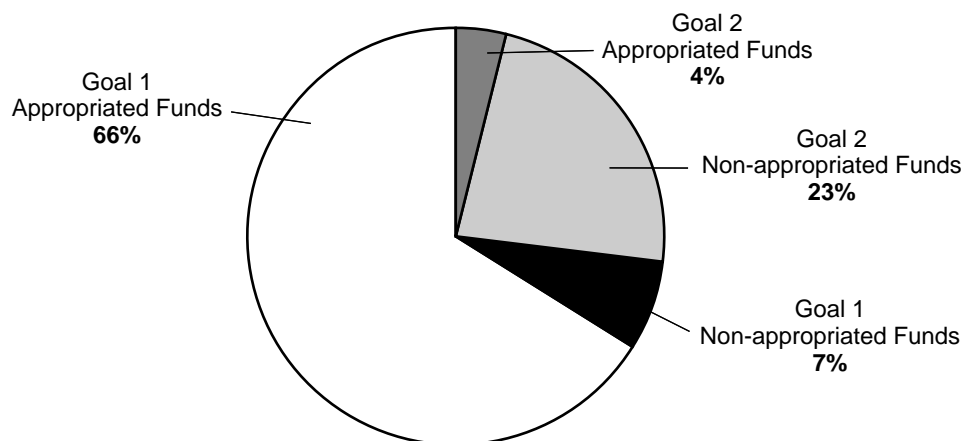
Goal 1 is linked to the following budget program activities: market access; market development, promotion, and outreach; market intelligence, and financial marketing assistance. Goal 2 is linked to only one program activity, long-term market and infrastructure development.

Resources Needed

Financial support for adopting enabling technologies and focusing on skills and training needed in the evolving workplace will be needed to facilitate maximum use of human resources. It also will be necessary to maintain all human and program resources dedicated to addressing the strategies outlined in the stated objectives to attain performance targets. The FAS Annual Performance Plan will serve as the vehicle for projecting changes in annual personnel, budget, and information technology resource requirements.

Foreign Agricultural Service

Resource Distribution by Strategic Goals



Goal 1 Expand export opportunities for U.S. agriculture, fish, and forestry products

Goal 2 Promote world food security

Program Evaluation

An agency-wide division/staff level program evaluation was conducted by the FAS Director of Strategic Operations to validate and refine the strategic plan. To help ensure that performance goals are measured objectively, future annual performance reviews will be coordinated by the Director of Strategic Operations, and will include peer reviews across FAS program areas. An annual evaluation of GPRA goals, objectives, and organizational processes will be carried out to assess their relevance and determine necessary adjustments. This information will drive changes in resource allocations, future FAS budget requests, and modifications to subsequent strategic and annual performance plans.

Methods to quantify performance measures cited in this strategic plan include electronic tracking systems, project and program evaluations, periodic surveys of end-users, and procedures established and approved by the U.S. Government's Inter-Agency Trade Promotion Coordinating Committee in preparing the annual National Export Strategy report submitted to the President and Congress. National and rural economic impacts are estimated by combining TPCC-estimated export impacts with trade multipliers associated with direct and indirect effects of agricultural exports. These are published by USDA's Economic Research Service using results from a 417-sector input-output model of the U.S. economy.

Role of External Entities

The FAS Strategic Plan reflects input from agency employees and external entities that may be affected by the plan under guidance from the Office of the Under Secretary for Farm and Foreign Agricultural Services. The FAS Strategic Plan was developed by Federal employees.

Risk Management Agency (RMA) Strategic Plan

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Introduction

The Risk Management Agency's (RMA) strategic plan, required by the Government Performance and Results Act (GPRA), provides the framework to improve the performance of our program and operations. A cross-section of RMA employees developed this plan as an integrated approach to the planning, implementation, execution, and evaluation of RMA's activities to deliver quality products and services to the Agency's customers. This integrated process provides a clear direction for the Agency with an approach that supports key decisions for the management of all RMA activities. This is a working document that will be modified to incorporate new ways of doing business to meet the continuing challenges of change.

The RMA was established under provisions of the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act), Public Law (P.L.) 104-127, signed April 4, 1996. This act amended the Department of Agriculture Reorganization Act of 1994, P.L. 103-354, Title II, to require the Secretary to establish within the Department an independent office responsible for supervision of the Federal Crop Insurance Corporation (FCIC), administration and oversight of programs authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et. seq.), any pilot or other programs involving revenue insurance, risk management education, risk management savings accounts, or the use of the futures market to manage risk and support farm income that may be established under the Federal Crop Insurance Act or other law; and such other programs the Secretary considers appropriate.

RMA is committed to transforming the crop insurance program into a broad-based safety net for producers to assure that American agriculture remains solid, solvent, and globally competitive into the 21st century. This safety net for producers consists of many public and private alternatives designed to improve the economic stability of agriculture. RMA's portion of the safety net is supported by the products and/or tools mentioned above. The following paragraphs explain in more detail RMA's 3 principal products and/or tools.

(1) Federal Crop Insurance

The purpose of crop insurance is to provide an actuarially-sound risk management program for agricultural producers to protect against production losses due to unavoidable causes such as drought, excessive moisture, hail, wind, hurricane, tornado, lightning, insects, etc. Beginning in 1998, Federal crop insurance is available to producers solely through private insurance companies that market and provide full service, including claims processing, on crop insurance policies. These companies share the risk on such policies. The amount of risk they share is defined by a Standard Reinsurance Agreement. Under this agreement, they agree to deliver risk management insurance products to eligible entities under certain terms and conditions. They are responsible for all aspects of customer service and guarantee payment of premium to FCIC. In return, RMA reinsures the policies and provides a subsidy for administrative and operating expenses associated with delivering the insurance products and/or programs. This constitutes a joint effort between the Government and the private insurance industry.

Crop insurance is available through Catastrophic Coverage (CAT) or varying levels of Additional Coverage. Producers can choose to obtain CAT, which guarantees the farmer 50 percent of his or her average yield at 60 percent of the expected market price. The premiums are entirely subsidized by the Government while the producer pays a processing fee of \$50. The establishment of CAT coverage removed the need for ad hoc disaster payments.

Additional Coverage is available to producers who wish to insure crops above the CAT level of coverage. Policyholders can elect to be paid up to 100 percent of the

market price established by FCIC for each unit of production where their actual yield is less than their guarantee. Currently, up to 75 percent of each individual's yield can be insured. Premium rates for Additional Coverage depend on the level of protection selected and vary from crop to crop and county to county.

FCIC has made a significant impact on the economic stability of producers. During 1986-95, Federal crop insurance supported farm income by providing \$10.7 billion in payments to producers for losses on insured crops. For example, in 1996, producers in North Dakota were provided approximately \$58.5 million in indemnity payments as a result of the extensive flood damage. Producers in North Carolina and Virginia were provided approximately \$90.2 million in indemnity payments as a result of Hurricanes Bertha and Fran. Without the protection provided by Federal crop insurance, economic losses of American farmers would have been far greater.

(2) Revenue Insurance

As mandated by the 1996 Act, a revenue insurance program is available under which producers of wheat, certain feedgrains, soybeans, and cotton are protected against loss of revenue stemming from either low prices, poor yields, or a combination of both. This program seeks to help ensure a certain level of annual income. Revenue insurance is being offered through private insurance companies and includes a minimum level of coverage that is an alternative to CAT.

(3) Risk Management Education (RME)

RMA is developing a strategy to provide education to producers in managing the financial risks inherent in producing and marketing agricultural commodities. As part of this education initiative, RMA currently is establishing the partnerships with the private insurance industry, commodity groups, Cooperative State Research, Education and Extension Service (CSREES), Commodity Futures Trading Commission (CFTC), and the Economic Research Service (ERS) to deliver this program to the agricultural community. RMA is also developing educational materials that will assist producers in the knowledgeable use of forward contracting, commodity futures and options contracts, crop insurance, and other risk management alternatives.

Additionally, RMA is in the developmental stages of Options Pilot Programs. Under the provisions of the 1996 Act, RMA will conduct a pilot program to determine if futures or options contracts can provide a meaningful reduction in market risk to producers. The Commodity Futures Trading Commission (CFTC) will play a vital role in assisting RMA evaluate the instruments which are proposed to be used in the Options Pilot Program. RMA will also work with individual commodity futures exchanges on proposals they put forward. Currently, research is being conducted on an options-based pilot program that would offer dairy producers a means of managing their price risk. RMA is also evaluating the feasibility of an options pilot program for producers of a number of other commodities.

Key External Factors

Several key factors could significantly affect progress in RMA's efforts to achieve its goal. They include:

- Changing economic or environmental conditions could lead to increased or decreased participation.
- Producers may assume that the Government will provide assistance in the event of

disasters, as it has through former disaster programs, leading to a reluctance to utilize risk management options.

- Producers unfamiliar with new products may be uncomfortable using tools other than traditional crop insurance.
- Insufficient funding would reduce RMA's ability to deliver the risk management program.

In addition, entities identified in the Partnerships and Coordination sections of this plan are vital to RMA achieving its goal. The development, implementation or delivery of risk management tools would be impeded if one or more of these partners becomes unable to provide a needed service or product. For example, if a private insurance company no longer participates in the delivery of Federal crop insurance, the re-allocation of policies could cause a disruption in service to the customers.

Mission

The Risk Management Agency will provide and support cost-effective means of managing risk for agricultural producers in order to improve the economic stability of agriculture.

Achievement of the Agency's mission will be judged by the extent to which the needs of agricultural producers are met in times of disasters or other uncontrollable conditions which threaten the economic stability of American agriculture.

Goals

Goal 1

To strengthen the safety net for agricultural producers through sound risk management programs and education.

RMA develops, manages, and ensures delivery of a variety of products for agricultural producers. These products can help producers protect themselves from yield risks, market risks, or both. RMA's new legislative mandates for an options-based pilot program, revenue insurance, and a risk management education initiative will further contribute to the producers' ability to protect their financial stability. Together, these elements comprise an important component of the safety net for agricultural producers. Therefore, RMA has established a single goal for the Agency providing a solid foundation and direction for the future. This goal is directly linked to the Secretary's Overview on Goal 1.1, "Enhance the economic safety net for farmers and ranchers."

RMA has identified key strategies that will support the achievement of our goal and are identified under each objective and management initiative documented in this plan. They are considered ongoing activities for the 1997 through 2002 Fiscal Year (FY) time frame.

RMA's portion of the safety net includes a wide variety of public and private risk management alternatives that are designed to protect the agricultural producer from economic disaster, while being cognizant of environmental, social, and other policy goals of USDA. RMA's success in strengthening the safety net will be measured through the accomplishment of the following objectives.

■ Objective 1.1

Producers have economically-sound risk management tools available to meet their needs.

Producers' needs are continuously being assessed by RMA and its private sector partners to ensure new and innovative risk management alternatives are available.

Strategies for Achieving the Objective

- Assess needs and interest for risk management tools for producers of specific agricultural commodities.
- Research and implement new tools such as revenue coverage products, options-based products, risk management savings accounts, and other non-traditional risk management products.
- Maintain and continuously improve existing products.
- Evaluate products and take appropriate actions.
- Evaluate and improve process for private companies submitting and gaining approval/disapproval of alternative products.

Performance Measures

The following outcomes assess the effectiveness of RMA's contribution to the safety net for agricultural producers through the utilization of risk management tools.

- Percent covered of gross agricultural economic product value for those agricultural products that RMA is authorized to offer coverage (macro level indicator depicting Risk Management tools contribution to the safety net).
Baseline: 5-year average.
Target: Improve baseline.
- Percent of net crop land acres insured to net crop land acres available for insurance (macro level indicator depicting the Federal crop insurance contribution to safety net).
Baseline: 68.4% for crop year 1997.
Target: 73.3% for crop year 2002.
- Customer satisfaction as measured through survey designed around the RMA Customer Service Plan (macro level indicator depicting RMA's ability to meet customer expectations).
Baseline: Average rating based on survey (new measure).
Target: Improve baseline (new measure).

Partnerships and Coordination

- The RMA product distribution system relies on the private sector. RMA works closely with our private sector partners ensuring quality service to customers.
- The ERS conducts and publishes independent analyses of risk management issues and current and emerging risk management tools and strategies. Relevant results of these analyses are incorporated into RMA's risk management material for availability to producers.
- The USDA Chief Economist will provide RMA with expert review and opinion on the economic impacts of program expansion and new products with the viewpoint of the Secretary's Senior Advisors.
- FSA provides RMA with data on acreage determination and verification services for farm crops.

- The National Agricultural Statistics Service (NASS) provides RMA with a database of yield and other agronomic data useful in developing actuarially-sound crop insurance programs. The Group Risk Plan uses NASS data exclusively to develop coverages and premium rates and calculate indemnities. NASS data are also used to project high-indemnity areas during catastrophic loss periods.
- The CSREES provides RMA with a network of knowledgeable agronomic and economic researchers who offer insight into certain aspects of crop insurance program design. They also provide RMA with analyses of the crop insurance program, proposals for modifying the crop insurance program, and potential alternatives for improving the crop insurance program as a risk management tool. Many of these researchers also serve as producer resources in their area of expertise. Some of these researchers participate in the FCIC/Extension Advisory Council by contributing analyses and peer reviews of existing and proposed crop insurance concepts and designs.
- The CFTC will provide RMA with reviews and analyses of revenue insurance products for compliance with CFTC legislative responsibilities. CFTC will also evaluate the instruments which are proposed to be used in the Options Pilot Program and will be actively involved in the Coffee, Sugar and Cocoa Exchange's effort to create a new cash settled fluid milk futures/option.

■ Objective 1.2

Increase the agricultural community's awareness and effective utilization of risk management alternatives.

Through partnerships, the agricultural community will have available a comprehensive risk management education and outreach program. RMA will provide leadership, funding, and a strategy for institutionalizing this risk management program.

Strategies for Achieving the Objective

1. Enhance process to identify and reach underserved areas, producers, and members of the agricultural community (e.g. farm publications, education courses, etc.).
2. Prepare and deliver RME products.

Performance Measures

The following outcomes will assess the effectiveness of RMA's risk management education efforts by measuring the awareness and utilization of risk management alternatives by the agricultural community.

- Percent of producers surveyed that are aware of risk management alternatives.
Baseline: Average based on survey (new program).
Target: Improve baseline.
- Percent of producers surveyed that utilize risk management alternatives.
Baseline: Average based on survey (new program).
Target: Improve baseline.

Partnerships and Coordination

- The CSREES' leadership is serving as one member of a three-member RME Steering Committee chaired by RMA and organized by the Secretary's Risk Management Education Initiative involving public and private sector organizations involved in agricultural risk management. CSREES' State Extension

Specialists will contribute to the development and dissemination of RME materials to producers and agribusiness through the CSREES' network of State Cooperative Extension Services located in 1862, 1890 and 1994 Land-Grant colleges. These specialists will also conduct research into producer and agribusiness educational needs and achievements.

- The CFTC's leadership will serve as one member of the three-member RME Steering Committee. CFTC will contribute to RMA's educational material with their inventory of price risk management tools that can be combined with RMA products. CFTC will maintain research and information programs to assist in the development of educational and other informational material regarding futures trading for dissemination and use among producers, market users and the general public.
- The ERS will conduct and publish independent analyses of producers' risk management issues and current and emerging risk management tools. Relevant results of these analyses may be incorporated into RMA's risk management material and made available to producers.

■ Objective 1.3

Improve program integrity and protect taxpayers' funds.

This objective is achieved by conducting internal and external reviews, investigations, program evaluations, and audits to address inherent program vulnerabilities, deter abuse, and minimize program costs. This will be done in coordination with private sector delivery partners and oversight bodies.

Strategies for Achieving the Objective

1. Develop and maintain a system to continually evaluate and improve internal and external management controls.
2. Review, improve, and maintain performance standards for delivery partners.
3. Implement a process to ensure evaluation of financial performance measures of various reinsurance arrangements.
4. Implement pattern recognition system (state-of-the-art technology) into compliance methodology.

Performance Measures

The following outcomes identify RMA's method for measuring the reduction in program vulnerabilities and costs.

- Total error rate (total of misrepresentation, program vulnerabilities, and unintentional errors).

Baseline: 8.7% for the 1991 crop year (will evolve into a 3-year average).

Target: Improve over baseline.

- Rate of erroneous payments (misrepresentation).

Baseline: 1997 crop year average (new measure that will evolve into a 3-year average).

Target: Improve over baseline.

- Rate of program vulnerability.

Baseline: 1997 crop year average (new measure that will evolve into a 3-year average).

Target: Improve over baseline.

- Rate of program delivery errors (unintentional errors).
Baseline: 1997 crop year average (new measure that will evolve into a 3-year average).
Target: Improve over baseline.

Partnerships and Coordination

- RMA conducts routine program and procedural reviews with delivery partners to minimize vulnerabilities and reduce costs.
- RMA's compliance efforts will be working together and in coordination with the Office of Inspector General (OIG) through their criminal investigation reports, subpoena power, audit and statistical expertise.
- RMA performs management control reviews and follow-up actions on audits which will be contributing to the Office of the Chief Financial Officer's report on the Federal Managers' Financial Integrity Act of 1982.
- The Office of the General Counsel will receive RMA investigative and litigation support for Board of Contract Appeals. They provide expert witnesses in cases and legal opinions and interpretations on a variety of matters.
- The General Accounting Office (GAO) will be providing reviews of RMA program management and operations for Congressional committees. GAO will also provide evaluations of RMA program participants.
- RMA is working with the Department of Justice to increase use of the Affirmative Civil Enforcement process to enhance program integrity.

Management Initiatives

Management initiatives lay the foundation to create an organizational environment and climate which promotes the strategic vision at all levels of the organization. They demonstrate value through contributions of the workforce; focus efforts to eradicate discrimination in both program delivery and employment; improve internal and external communication; provide technological support for Agency program and business requirements; and incorporate coverage of proven environmentally-sound practices.

RMA recognizes the need to aggressively address its systems and processes in order to become more efficient and prepare to meet the challenges of the future. For this reason these initiatives are vital to the accomplishment of RMA's mission, goal, and objectives.

The three management initiatives established highlight strategies which will enhance our ability to meet Departmental and legislative requirements, provide customer service, and practice good management.

■ Management Initiative 1

Enhance the organizational infrastructure.

To support our program requirements, RMA will be working to create and sustain a diverse and cohesive organizational culture. This organizational culture will promote teamwork, recognize and develop potential, and value contributions by individual employees. This management initiative is linked to the Secretary's Overview through 2 management initiatives. They are Management Initiatives 1, "Ensure that all customers and employees are treated fairly and equitably, with dignity and respect," and Management Initiative 2, "Improve customer service by streamlining and restructuring county offices." While RMA does not have a county based structure, we are committed to improving service to our customers.

Strategies for Achieving the Management Initiative

- Negotiate and execute an annual Service Agreement and/or contract for Agency administrative services.
- Establish means to collect, analyze, and report on RMA strategic plan performance measures.
- Define processes and conduct Business Process Reengineering (BPR).
- Implement organizational design concepts that maximize mission effectiveness.
- Review, modify, and implement an employee development program.
- Implement an equitable and innovative rewards program.
- Implement an effective employee performance evaluation process.
- Implement an employee satisfaction survey and evaluation process.
- Implement an automated employees' skills bank for use in appropriately staffing agency programs and projects.
- Fully implement the individual development planning process.
- Create and sustain effective communication systems and processes.
- Create and improve existing processes of distributing information within RMA.
- Create and improve existing processes and systems of information exchange with external customers.
- Establish a program for evaluation of all communications products issued.
- Prepare and implement an annual communications plan.

Performance Measures

The outcome for this initiative is general in nature and therefore difficult to directly quantify. The following measure assesses the quality of our infrastructure elements.

- Assessment of the degree to which the organizational infrastructure supports the program requirements of RMA.
Baseline: Average rating based on survey.
Target: Improve baseline.
- RMA maintains an awareness that improvements to Agency communications are necessary. As RMA determines the necessary improvements to our information development and distribution processes, the Agency's implementation approach will allow formulation of meaningful outcome measures that will be established during FY 1998.

Partnerships and Coordination

- Human Resources Division and Management Services Division of the Farm Service Agency (FSA) coordinate employee and management development opportunities, long-term training programs, incentive awards programs and other programs to develop teamwork skill and enhance the potential of individual employees.
- RMA is working with local unions to improve and coordinate communications and processes that facilitate improved and effective labor/management partnerships.
- CSREES' State Extension Specialists serving on the FCIC/Extension Advisory Council support the development and dissemination of RME materials to producers and agribusiness through the CSREES network of State Cooperative Extension Services located in 1862, 1890 and 1994 Land-Grant colleges.

- RMA is working closely with other Departmental entities on efforts to enhance and coordinate the communications systems and processes that facilitate improved and effective systems for both internal and external customers.
- The Office of Communications provides graphic design and duplication services important to RMA.

■ Management Initiative 2

Integrate Civil Rights as part of all RMA activities.

To support this Civil Rights initiative, RMA will increase service to underserved areas of the agricultural community and create an environment in which all individuals are treated fairly within RMA and in all facets of our delivery system. Implementation of this initiative will be in conformance with applicable Federal and Department-wide standards and plans (e.g., Civil Rights Implementation Plan, Affirmative Employment Plan, Outreach Plan). This management initiative is directly linked to the Secretary's Overview on Management Initiative 1, "Ensure that all customers and employees are treated fairly and equitably, with dignity and respect."

Strategies for Achieving the Management Initiative

1. Ensure that policies and procedures are in place such that all Civil Rights laws, rules, and regulations are followed.
2. Develop and implement a process to identify underserved areas of the agriculture community.
3. Coordinate RMA outreach efforts.
4. Encourage an environment in which all individuals are treated fairly, both within RMA and in all facets of our delivery system.
5. Establish a system for early detection and resolution of potential internal and external conflicts.
6. Identify and reduce barriers that prevent minority and small/limited-resource farmers from participating in RMA programs.
7. Work to achieve diversity ratios that are equivalent to those in the total labor force.

Performance Measures

To accomplish our Civil Rights initiative, RMA has established the following outcome measures.

- Participation levels compared to demographic profiles.
Baseline: To be determined in FY 1998.
Target: To be determined in FY 1998.
- Agency representation of women, minorities, and persons with disabilities in targeted grade levels and occupations.
Baseline: To be determined in FY 1998.
Target: To be determined in FY 1998.
- Fair treatment measured indirectly through Equal Employment Opportunity and Civil Rights complaint activity and resolution.
Baseline: To be determined in FY 1998.
Target: To be determined in FY 1998.

Partnerships and Coordination

- RMA will enter into a cooperative agreement with the Intertribal Agriculture Council to provide outreach activities to Native Americans and other producers. Other USDA agencies, including FSA, Natural Resources Conservation Service (NRCS), the Rural Development mission area, and the Forest Service, could participate in the agreement.
- RMA has established a partnership with the Federation of Southern Cooperatives to provide outreach and other RMA educational information to small and limited-resource farmers/ranchers in 18 Southeastern/Southwestern States. ERS is a partner in these activities.
- RMA will continue to work with 1862, 1890 and 1994 Land-Grant colleges and universities, and the Hispanic Association of Colleges and Universities to provide employment opportunities for students.
- RMA will implement recommendations of the Civil Rights Council and utilize a Union Partnership Council.

Legislative Mandate

The Civil Rights Act of 1964 requires agencies to eliminate discrimination in employment practices and program delivery systems.

■ Management Initiative 3**Technological hardware, software, and data elements support the program and business requirements of RMA.**

RMA focuses on the best approach for managing and sharing information and data within the Agency, with other USDA agencies, and with private sector business partners through automated access to Agency programs. The desired outcomes are streamlined processes, reduction in the number of forms used to collect customer information, and better communications for service delivery and better program management. This management initiative is directly linked to the Secretary's Overview on Management Initiative 3, "Create a unified system of information technology management." Specific highlights of the Information Resources Management (IRM) plan include:

- Reengineer financial and program systems in cooperation with business partners.
- Replace obsolete systems with relational database structures in an open systems environment.
- Apply pattern recognition to compliance methodology.
- Introduce geospatial information interfaces.
- Complete year 2000 conversion.

Implementation of this initiative will be in accordance with applicable Department-wide standards and plans (e.g., Information Architecture).

Strategies for Achieving the Management Initiative

- Continue BPR on program and financial systems and implement.
- Migrate business applications from 3B2 (legacy system) to Sun Sparc 2000 (state-of-the-art system).
- Develop system requirements for application of pattern recognition to RMA program data.

- Develop Geographic Information Systems and applications of Global Positioning System technology in cooperation with other USDA and private sector partners.
- Complete conversion to year 2000 compliant systems.
- Continually identify customer needs and provide automated systems and reports to support those needs.
- Establish means to evaluate and improve RMA performance using graphics and new technology.
- Establish formal representation on Department and interagency technology working groups.
- Ensure users are trained within 4 weeks of new system introduction or modification.
- Develop and implement a program for evaluation of systems against user requirements.

Performance Measures

To support the technological infrastructure, RMA will measure the timeliness, accuracy, and reliability of program and financial information available to producers, delivery partners, and Departmental oversight personnel.

- Timeliness, accuracy, and reliability of data.

Baseline: To be determined in FY 1998.

Target: To be determined in FY 1998.

Partnerships and Coordination

RMA's current business systems are designed to integrate data from other USDA agencies, private insurance companies, and RMA sources to deliver information, drive calculations, and maintain financial controls for the FCIC. The Office of the Chief Information Officer provides guidelines on IRM planning and serves as the focal point for review and approval of RMA's major IRM expenditures. The systems utilize advanced systems architecture concepts, the National Information Technology Center, the National Finance Center, and a network of minicomputers and personal computers. Under a reimbursable agreement, the FSA provides administrative support services. The FSA Deputy Administrator for Management serves as the central coordinating organizational unit responsible for information technology architecture, standardization of data elements, interoperability of programs, security procedures, and data integrity.

Linkage of Goals to Annual Performance Plan

Federal crop insurance is an important element of the safety net and has historical data available to establish baselines. As other risk management products become available, they will be included for performance measurement in updates of the strategic plan. Measurements will be refined as more experience is gained.

A variety of output measures have been developed and are identified in the Agency's Annual Performance Plan. RMA has a number of traditional measures that are used as components for determining our outcomes related to the goal, objectives, and management initiatives in this strategic plan. For instance, the number of insurance plans available is a measure of the variety of risk management tools which can be used by producers to manage their risk. Measures such as the number of county crop programs, policies sold, and acreage covered indicate that producers accept the usefulness of RMA products as effective means to manage agricultural risks. These measures are indicators of success in reaching Objective 1.

Additional performance measures used in identifying annual progress for Objective 2. For example, the number of institutions offering risk management courses and the number of producers attending risk management training are leading indicators of the potential for producers to choose the most effective risk management tools to meet their individual needs.

The loss ratio of the insurance program provides a measure of the cost to the taxpayer in comparison to the premiums paid by producers for insurance coverage. Program vulnerabilities which result in high-indemnity payments increase the loss ratio. Objective 3 is intended to reduce these vulnerabilities and lower the loss ratio.

The management initiatives previously identified in this plan directly support achievement of the goal and objectives. They highlight strategies which will enhance our ability to meet the program needs of the agricultural producer. Plans are being established and analyses conducted to determine appropriate performance measures for these initiatives.

RMA's budget Program Activities are directly linked to the Agency's goal "To strengthen the safety net for agricultural producers through sound risk management programs and education."

Resources Needed

Achievement of RMA's mission, goal, and the corresponding objectives and management initiatives requires resources to cover the salaries and expenses of approximately 623 full-time-equivalent employees. Staff at the National headquarters office in Washington, DC, is needed to plan and coordinate the administration of the Agency. Staff at the Kansas City, MO, headquarters office is necessary to administer the development, implementation, maintenance, and evaluation of risk management products, as well as to provide training, technical assistance, and accounting. Staffs at 10 Regional Service Offices also provide program and underwriting services as well as training and technical assistance for the development, implementation, maintenance, and evaluation of risk management products. Staffs at 6 Compliance Field Offices provide oversight of insurance programs through compliance investigations, company reviews, and internal program reviews.

Future information technology systems must support the needs of RMA and the Department and provide for the sharing of information with producers, other agencies, private organizations, educational and scientific institutions, and the general public. Specifically, this will require upgrades to the SUN system which is RMA's primary information system and is gradually replacing the need to depend on the Kansas City Computer Center's information system. The end result of replacing this obsolete system will enable RMA to cut a portion of its operating costs. Funding will be required to upgrade the computer systems within the agency at the rate of approximately 30 percent each year to ensure that the Agency keeps up with technological breakthroughs and expanded information systems nationwide.

RMA also requires resources to address agency-wide reengineering of its core business processes driven by changing strategic goal and cost-reduction imperatives. As RMA completes its reengineering efforts, evaluations will continue ensuring effective and efficient organizational performance. Additionally, resources will be necessary to conduct surveys and to establish other means of measuring performance.

Due to the consolidation of administrative services, under the Farm and Foreign Agricultural Services mission area, resources are required to provide administrative services to RMA. This is currently handled through a reimbursable agreement with the FSA.

Resources will be required for administrative expense reimbursement, premium subsidy, and research and development reform costs. This includes funding for the Risk Management Education Program, outreach initiatives, actuarial consulting, revenue product research, modifications to RMA systems for new insurance product designs, the development of a new nursery program, and the development of the Dairy, Livestock, and/or any other new Options Pilot Programs.

Program Evaluation

A group was organized of participants from two unions, the FCIC Board of Directors, Senior-level Management, a cross-section of RMA employees expert in their respective program areas, plus the involvement and assistance of USDA oversight agencies. The group developed this plan as an integrated approach to the planning, implementation, and execution of RMA's activities.

RMA has established performance targets expressed as tangible, measurable points against which actual achievement will be compared. These performance targets, some of which are still under development, have been derived from the analysis of multiple and diverse reviews conducted by internal components of RMA, partner agencies, and the private sector.

Additionally, the Agency uses reviews conducted by the GAO and the USDA OIG to check its ability to achieve its goal and objectives. Agency Strategic and Implementation Planning and execution activities must be analyzed based on performance evaluation and process improvement recommendations derived from these reviews. RMA uses the results of these reviews to improve the effectiveness and efficiency of the Agency's programs and processes. RMA's internal and external reviews are identified in more detail throughout this plan.

RMA will be establishing Quarterly Reviews as part of its evaluation and continuous improvement process. These Quarterly Reviews are designed to identify Agency progress as it relates to our strategic and annual implementation planning activity. These reviews will provide objective and formal assessment of RMA's performance as it relates to the goal defined in this strategic plan.

RMA's efforts offer a cost-effective means of managing the producers' risk through a variety of management tools, thus improving the economic stability of agriculture. RMA uses its resources to establish these tools which are made available to producers through its private industry partners. The outcome is realized when producers take appropriate measures to avail themselves of the risk management tools. The program is successful when these products are used by the producers and they, in turn, become economically protected against the perils of production and price risk. This outcome is measured by the rate of producer participation in the available tools. RMA will survey customers to collect comments on their satisfaction with RMA products and program delivery. These comments will become inputs to RMA's continuous improvement process.

Role of External Entities

When RMA began development of this strategic plan, a representative selection of our internal and external customers was surveyed to assist us in identifying priorities and establishing elements of our plan. These customers included 16 insurance companies, 10 Congressional members, 55 RMA employees, 11 grower groups, and 175 producers. The information collected from this survey helped to identify our priorities and was used to establish the goal, objectives, and management initiatives contained herein. While inputs were received from multiple external sources, only federal employees were involved in the preparation of this plan.

RMA is planning to conduct a listening session, in the early part of FY 1998, to hear comments on this plan from our delivery partners, commodity groups, and Congressional staff. Valuable information gained from this session is expected to have an impact on the content of this plan.